

Session 121 - (2015-2016)

S 0850 General Bill, By Hayes

Summary: Insurance policies

A BILL TO AMEND SECTION 38-9-180, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO STANDARD VALUATION, SO AS TO DEFINE NECESSARY TERMS, TO PRESCRIBE NEW REQUIREMENTS FOR THE DIRECTOR OR HIS DESIGNEE CONCERNING VALUING RESERVE LIABILITIES FOR OUTSTANDING INSURANCE POLICIES BASED UPON THE EFFECTIVE DATE OF THE POLICY OR CONTRACT, TO ALTER THE ACTUARIAL OPINION REQUIREMENTS FOR ALL LIFE INSURANCE POLICIES, TO UPDATE REFERENCES TO REQUIRE THAT THE COMMISSIONER'S RESERVE VALUATION METHOD BE USED FOR POLICIES ISSUED AFTER MARCH 23, 1960, AND POLICIES ISSUED AFTER THE EFFECTIVE DATE OF THIS ACT, TO PROVIDE A NEW FORMULA TO COMPUTE THE CALENDAR YEAR STATUTORY INTEREST RATE, TO UPDATE REFERENCES TO REFLECT THE COMMISSIONER'S RESERVE VALUATION METHODS, TO PROVIDE THE MINIMUM RESERVE REQUIRED IF THE PREMIUM CHARGED BY A COMPANY IS LESS THAN THE VALUATION NET PREMIUM FOR THE POLICY OR CONTRACT, TO PRESCRIBE THE MINIMUM STANDARD OF VALUATION FOR ACCIDENT AND HEALTH INSURANCE CONTRACTS ISSUED ON OR AFTER THE OPERATIVE DATE OF THE OPERATION MANUAL, TO PRESCRIBE THE OPERATIVE DATE FOR THE VALUATION MANUAL AND WHAT THE VALUATION MANUAL MUST SPECIFY, TO ESTABLISH REQUIREMENTS FOR A COMPANY THAT USES A PRINCIPLE-BASED VALUATION, TO DEFINE CONFIDENTIAL INFORMATION AND TO PROVIDE PRIVILEGE FOR AND CONFIDENTIALITY OF CONFIDENTIAL INFORMATION, AND TO PROVIDE EXEMPTIONS IN CERTAIN CIRCUMSTANCES; TO AMEND SECTION 38-63-510, RELATING TO STANDARD NONFORFEITURE LAW FOR LIFE INSURANCE, SO AS TO DEFINE THE TERM "OPERATIVE DATE OF THE VALUATION MANUAL"; AND TO AMEND SECTION 38-63-600, RELATING TO THE BASIS FOR CALCULATING ADJUSTED PREMIUMS AND PRESENT VALUES OF POLICIES ISSUED ON OR AFTER JANUARY 1, 1989, SO AS TO PROVIDE THAT THE COMMISSIONERS' STANDARD MORTALITY TABLE SHALL BE USED TO DETERMINE THE MINIMUM NONFORFEITURE STANDARD FOR POLICIES ISSUED ON OR AFTER THE OPERATIVE DATE OF THE VALUATION MANUAL.

06/02/15 Senate Introduced and read first time (Senate Journal-page 12)

06/02/15 Senate Referred to Committee on Banking and Insurance (Senate Journal-page 12)